

State of Alaska FY2005 Governor's Operating Budget

Department of Corrections Correctional Industries Product Cost Component Budget Summary

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Component: Correctional Industries Product Cost

Contribution to Department's Mission

To assist in the habilitation of offenders.

Core Services

To provide offenders with marketable work skills through operating the following Correctional Industries Product service enterprises:

- Juneau Commercial Laundry
- Fairbanks Garment/Flat Goods Shop
- Kenai Office Furniture Systems Plant
- Eagle River Garment Shop
- Kenai Metals Plant
- Seward Wood Furniture Plant
- Palmer Auto Body Shop
- Juneau Staph Guard Hospital Laundry (a private cooperative venture).

FY2005 Resources Allocated to Achieve Results

FY2005 Component Budget: \$5,113,800	Personnel:	
	Full time	13
	Part time	0
	Total	13

Key Component Challenges

- The Correctional Industries Program primarily markets its products to state agencies and political sub-divisions. Changes in statute will require Correctional Industries to re-evaluate its current markets, pricing and production scheduling of existing product lines to allow for expansion into new markets.
- An analysis of the current markets may require the introduction of a standardized product line and/or change in product line to meet customer needs. New processes will be designed to increase the quality of correctional industries products and meet the needs of the customer.
- Repeated turnover in inmate employees requires more on-the-job training to maintain quality of finished products and timely delivery to customers.
- Continued development of a web page catalog with additional improvements will increase the capability of Alaska Correctional Industries to provide marketing and delivery information to customers.

Significant Changes in Results to be Delivered in FY2005

An evaluation of the viability of each industry will determine if some programs will be discontinued in order for the receipts to support the staffing necessary to maintain industry operations.

Major Component Accomplishments in 2003

- Approximately 228,345 annual hours of inmate employment were provided through on-the-job vocational training. This on-the-job training encouraged the development of acceptable work ethics by those employed inmates.
- Attained gross sales of \$3,039,790 in Correctional Industries provided products and services allowing all operations to be self-supporting.

- Continuation of an existing private sector contract for a private cooperative venture to employ inmates at the Lemon Creek Correctional Center. Additional private sector companies were identified as free venture partners to market correctional industries products assisting growth in the Alaskan economy.
- Procedures relating to partnerships with private sector enterprises were again re-evaluated by the Correctional Industries Commission in order to identify potential methods for expanding private sector joint ventures.

Statutory and Regulatory Authority

- 1) Probation, Prisons and Prisoners (AS 33)
- 2) Welfare, Social Services and Institutions (AS 47)
- 3) Health and Safety (AS 18)
- 4) Criminal Law (AS 11)
- 5) Public Finance (AS 37)
- 6) State Government (AS 44)
- 7) Create Corrections (EX.OR.55)
- 8) Corrections (22 AAC)

Contact Information

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Correctional Industries Product Cost Component Financial Summary

All dollars shown in thousands

	FY2003 Actuals	FY2004 Authorized	FY2005 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	963.2
72000 Travel	30.2	47.7	47.7
73000 Contractual	543.5	514.0	514.0
74000 Supplies	1,850.4	3,140.9	3,140.9
75000 Equipment	45.1	48.5	48.5
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	262.1	399.5	399.5
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	2,731.3	4,150.6	5,113.8
Funding Sources:			
1059 Correctional Industries Fund	2,731.3	4,150.6	5,113.8
Funding Totals	2,731.3	4,150.6	5,113.8

Estimated Revenue Collections

Description	Master Revenue Account	FY2003 Actuals	FY2004 Authorized	FY2005 Governor
Unrestricted Revenues				
Correctional Industries Fund	51190	2,731.3	4,150.6	5,113.8
Unrestricted Total		2,731.3	4,150.6	5,113.8
Restricted Revenues				
None.		0.0	0.0	0.0
Restricted Total		0.0	0.0	0.0
Total Estimated Revenues		2,731.3	4,150.6	5,113.8

**Summary of Component Budget Changes
From FY2004 Authorized to FY2005 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2004 Authorized	0.0	0.0	4,150.6	4,150.6
Adjustments which will continue current level of service:				
-CIF authorization transfer to Corr Ind Admin, ADN#20-4-0005	0.0	0.0	-168.6	-168.6
-Combine the Administration component into the Product Cost component	0.0	0.0	1,131.8	1,131.8
FY2005 Governor	0.0	0.0	5,113.8	5,113.8

**Correctional Industries Product Cost
Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2004 Authorized	FY2005 Governor		
Full-time	0	13	Annual Salaries	670,724
Part-time	0	0	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	292,513
			<i>Less 0.00% Vacancy Factor</i>	(37)
			Lump Sum Premium Pay	0
Totals	0	13	Total Personal Services	963,200

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	1	0	0	0	1
Corr Ind Marketing Rep	1	0	0	0	1
Corr Indus Prod Mgr I	1	0	1	2	4
Corr Indus Prod Mgr II	1	1	1	3	6
Correctional Indus Mgr I	1	0	0	0	1
Totals	5	1	2	5	13